

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 10/4/2016	(3) CONTACT/PHONE Ted Bench, Senior Planner / (805)781-5701	
(4) SUBJECT Hearing to consider adoption of the 2015-2020 Analysis of Impediments to Fair Housing Choice / Fair Housing Plan of the County of San Luis Obispo ("Fair Housing Plan"). All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve the resolution adopting the 2015-2020 Analysis of Impediments to Fair Housing Choice / Fair Housing Plan of the County of San Luis Obispo.			
(6) FUNDING SOURCE(S) Current Budget	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { } Consent { } Presentation {X} Hearing (Time Est. <u>20 MIN</u> ) { } Board Business (Time Est. <u>    </u> )			
(11) EXECUTED DOCUMENTS {X} Resolutions { } Contracts { } Ordinances { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5 Vote Required {X} N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? Yes	(16) AGENDA ITEM HISTORY { } N/A Date: <u>3/8/16, 6/21/16, 9/20/16</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Lisa M. Howe			
(18) SUPERVISOR DISTRICT(S) All Districts			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / Ted Bench, Senior Planner / (805)781-5701

VIA: Matt Janssen, Division Manager

DATE: 10/4/2016

SUBJECT: Hearing to consider adoption of the 2015-2020 Analysis of Impediments to Fair Housing Choice / Fair Housing Plan of the County of San Luis Obispo ("Fair Housing Plan"). All Districts.

## **RECOMMENDATION**

It is recommended that the Board approve the resolution adopting the 2015-2020 Analysis of Impediments to Fair Housing Choice / Fair Housing Plan of the County of San Luis Obispo.

## **DISCUSSION**

The County receives an annual award of grant funds from the federal Department of Housing and Urban Development (HUD). For 2016, the grant amount is approximately \$2.5 million in HOME, Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) funds. The County uses these funds to support affordable housing, public improvements and homeless prevention services.

Local agencies that use HUD funds shall comply with the federal regulations that govern those funds, such as the Civil Rights Act of 1968 and the Fair Housing Act. These Acts require local agencies to "affirmatively further fair housing" by preparing and using a Fair Housing Plan. The formal name of the Plan is the Analysis of Impediments to Fair Housing Choice / Fair Housing Plan. The Fair Housing Plan shall be updated every five years, and shall include: 1) an analysis of the obstructions and impediments to fair housing choice in the local housing markets, and 2) action steps that the HUD grantee will take to address (and reduce) the identified impediments to fair housing choice.

The Fair Housing Plan applies both to the County and to its partner cities (Arroyo Grande, Pismo Beach, San Luis Obispo, Morro Bay, Atascadero and Paso Robles) that receive HUD funds. The County and its partner cities are required to make a good faith effort to implement the action steps of the Fair Housing Plan.

What is fair housing? It means that:

- Anyone with same income level or same amount of money can live wherever they choose to live.
- Prospective tenants or homebuyers shall not be discriminated against on the basis of age, race, religion, family status (i.e. single mothers), disability – mental or physical, sexual orientation, or other personal characteristics.
- Fair housing laws apply to all housing providers – including loan officers, real estate agents and property managers.

A civil rights law firm was retained to prepare the 2015-2020 Fair Housing Plan. The firm is the Lawyers' Council on Civil Rights Under Law (LCCR). LCCR has extensive experience in assisting with the adoption of fair housing laws, critiquing fair housing plans, and providing training for the preparation such plans. The Fair Housing Plan prepared by LCCR includes an extensive review of San Luis Obispo County's population demographics and housing markets.

LCCR found that the County does not have the issues commonly seen in dense urban cores with segregated populations. Ethnic groups and affordable housing units are dispersed fairly evenly throughout the County. However, the County area has a high cost housing market. The lack of affordable housing impedes both housing choices and the location of available housing for a significant segment of the County's population. The Action Steps in Section 3 of the Fair Housing Plan include the following:

- **Action Step 1 – Expand fair housing services in the County.**
  - County staff is negotiating with local legal aid groups about expanding their services.
- **Action Step 2 – Encourage the development of affordable housing by:**
  - Offering denser multi-family zoning plus lower permit fees and requirements for affordable housing units.
  - Using more Block Grant (CDBG) funds for affordable housing.
  - Stepping up the County's Inclusionary Housing Ordinance (going from "Year 1" to "Year 2").
- **Action Step 3 – Encourage expansion of public transportation. For example:**
  - Locate denser residential growth along existing and future bus routes
- **Action Step 4 – Support legislation for affordable housing. For example:**
  - Current legislative efforts to apply inclusionary housing requirements to rental units
- **Action Step 5 – Continue local efforts to house special needs populations.**
  - Commend and continue to support the work of County health and service agencies, the Housing Authority of San Luis Obispo and Transitions-Mental Health Association.

HUD expects the County and its partner cities to make a good faith effort to carry out the identified action steps of the 2015-2020 Fair Housing Plan. Progress is already underway. Both the County and several cities are considering denser multi-family zones (i.e. the County's San Miguel Community Plan update, City of Paso Robles planned communities Chandler Ranch and Olsen Ranch, and recent amendments to the multi-family zones in the Cities of San Luis Obispo, Atascadero and Morro Bay). Both the City of San Luis Obispo and the County have partnered to provide CDBG funds to three affordable housing projects (apartment projects on Humbert Avenue, South Street and Broad Street). In the future, County staff will likely bring additional housing ordinance amendments to the Board for consideration.

#### **OTHER AGENCY INVOLVEMENT/IMPACT**

Several agencies were consulted on the draft edition of the Fair Housing Plan. We received responses from the Cities of Arroyo Grande, Pismo Beach, San Luis Obispo, Morro Bay, Atascadero and Paso Robles. In addition, the Housing Authority of San Luis Obispo, People's Self-Help Housing Corporation, Habitat for Humanity, County Department of Social Services, California Rural Legal Assistance (CRLA), Regional Transit Authority and SLOCOG have reviewed the Plan.

LCCR also contacted private developers, bankers and real estate companies, as well as nonprofit public assistance agencies. County staff held two public workshops regarding the Fair Housing Plan. Public notices and e-mail blasts were sent to community advisory groups, engineering and architectural firms, the Home Builders' Association of the Central Coast, mortgage lenders, realtor and property management firms, nonprofit service agencies and the Tribune newspaper editor.

The attached resolution has been reviewed by County Counsel as to form and legal effect.

#### **Agency Responses**

The Fair Housing Plan was revised to include recommendations from several agencies, but not all recommendations were added if they reached beyond the legal requirements of the civil rights laws. For example, Habitat for Humanity asked that Action Steps be added to address the housing needs of low income seniors. Seniors are not a protected class under civil rights laws. The Fair Housing Plan discusses the housing needs of seniors, but does not have an Action Plan for them.

## **BUSINESS IMPACT STATEMENT**

There would be minimal immediate business impact. The Fair Housing Plan is a policy document that the County and its partner cities shall use to guide decisions on fair housing services, affordable housing ordinances and projects.

## **FINANCIAL CONSIDERATIONS**

These actions do not affect the cost to the County for administering the Fair Housing Plan or federal grant funds from HUD.

All County staff costs for administering the Plan and HUD funds are contained within the Planning and Building Department budget.

## **RESULTS**

Adoption of the Fair Housing Plan would have the following results:

- Continue the County's ability to comply with federal fair housing laws and remain eligible for annual awards of HUD grant funds.
- Encouraging the provision of affordable housing helps the County to meet many of its county-wide goals, including the goal of creating more livable communities.

## **ATTACHMENTS**

1. Attachment 1 - Resolution to adopt the 2015-2020 Analysis of Impediments to Fair Housing Choice / Fair Housing Plan of the County of San Luis Obispo
2. Attachment 2 - Agency Comments
  - Habitat for Humanity letter of August 9, 2016
  - Pearl Munak / TFS e-mail of Sept. 1, 2016
3. Attachment 3 - 2015-2020 Analysis of Impediments to Fair Housing Choice / Fair Housing Plan of the County of San Luis Obispo